

APPAREL and FASHION DESIGN

Introduction

California apparel design caters to active outdoor living and casual relaxing. Clothing made in California is distinct from garments made in the eastern United States, and is probably second only to Hollywood as a means of conveying a positive image of the California lifestyle. The state is the leading manufacturer of apparel in the United States. The California apparel industry produces over \$13 billion in products each year, and exports more than a billion dollars worth of goods. The industry continues to introduce advanced technology for further efficiency and design creativity.

Definition

The apparel industry is defined by Standard Industrial Classification (SIC) code 23, a short name for the manufacture of apparel and other products made from fabric and similar materials. Though mainly thought of in terms of garments, the industry includes other textile products such as draperies, automotive trimmings and embroideries.

The U.S. Bureau of the Census recently began replacing the Standard Industrial Classification code with the North American Industry Classification System (NAICS). The NAICS code for apparel manufacturing is 315. The NAICS is intended to coordinate industry definitions for tracking trade between the NAFTA nations of Canada, Mexico and the United States.

Characteristics of the California Apparel Industry

Much of the apparel produced in California is designed and marketed by jobbers who design garments, prepare samples and sell the finished product to retailers. Production is contracted out to other firms. Actual production is frequently done by little-known and usually very small sewing contractors.



Assembling the cut pieces into a garment.

Subcontracting by manufacturers is a key aspect of the industry organization. Manufacturers may use one subcontractor to make patterns from their designs, another to cut the material and third to sew the garments together. Still others may embroider or trim the garments. Each contractor is providing employment to a group of workers. This fragmented industry caters to small production runs that are typical of women's and misses' apparel. Trends change quickly, and stores need to be able to adjust their inventory to meet the ever-changing demand.

Size and Location

Production occurs throughout the state in manufacturing giants with household names, and in hundreds of little-known firms. There are two major geographic apparel manufacturing centers surrounded by a cluster of support firms composed of designers, contractors, sewers, marketers, and wholesalers.

The apparel industry in California employed over 144,000 people in 1999. This official figure from the California Employment Development Department is an underestimation of the actual total. The many family-owned and operated apparel firms do not pay unemployment insurance for their workers, nor do the self-employed. In addition, the industry is partially staffed by undocumented, immigrant labor. These workers are therefore not represented in the official count of firms and employees.

Apparel employment has declined in recent years for several reasons. The NAFTA treaty resulted in more facilities in Mexico that share production with Southern California companies. And, as in many industries, production technology continues to improve, thus eliminating some jobs. For example, new machines can position needles and trim threads automatically. Others automatically position fabric pieces under the needle, and remove and stack completed pieces. Finally, as trade with China becomes more open, more commodity apparel (ie. socks, t-shirts) will be imported. Though the number of jobs has declined, the California apparel industry has a growing share of the national total in apparel manufacturing.

In 1998, the latest available, there were more than 7,700 apparel manufacturing firms in the state. Almost 45 percent of these had fewer than five employees. The largest apparel cluster in the nation is in the Los Angeles area in Southern California. The other is in the San

Francisco Bay area in Northern California. San Diego, Alameda, and Sacramento counties all have sizable apparel employment with more than 1,000 employees.

Southern California. Los Angeles is the quintessence of California to most of the world. The elements of the casual and active lifestyles are combined with the trend-setting styles and glamour of Hollywood. In Southern California, most of the apparel makers specialize in the moderately priced, young women's clothing, particularly sportswear.



Apparel manufacture begins with garment design.

Apparel is the largest manufacturing employer in Los Angeles County with more than 100,000 apparel jobs in 1999. Other Southern California counties have sizable apparel manufacturing industries, but on a much smaller scale than Los Angeles county. The entire Los Angeles basin employs 136,100 in jobs spread throughout Los Angeles, Orange, Riverside, San Bernardino, Ventura and Imperial counties. The basin has 80 percent of the state's apparel and textile industry. Wholesale trade activities related to apparel account for an additional 25,000 jobs.

Los Angeles is home to the 32-year-old California Mart, the largest wholesale apparel center in the nation. This 3 million square foot complex is where manufacturers and retailers make their deals. For the merchandise buyer, Los Angeles is the most alluring market for "active wear", a design specialty of the area.

Northern California. San Francisco is the nation's third largest apparel manufacturing center behind Los Ange-

les County and New York State. Many of the San Francisco firms are well known throughout the United States and the world. Especially Levi Strauss, the world's largest apparel manufacturer. These firms employ hundreds of workers, overshadowing the majority of shops with fewer than 50 people. In California, 92 percent of apparel manufacturing firms have fewer than 50 employees, and 44 percent of the apparel employees work in these small firms.

The apparel industry is a significant manufacturing employer in San Francisco, second only to the printing and publishing industry. Employment totaled 12,400 people in 1999.

Economic Importance

The California apparel industry is dominant in women's wear. California manufactures 37 percent of the nation's women's and misses wear, and has nearly twice as many women's wear employees as New York. In California, there are eight times more manufacturing jobs in women's wear than men's wear.

The presence of the design aspect in Southern California is a significant factor in keeping jobs in that area. As with most industries, firms locate where the support is - the suppliers, vendors, contractors, designers, showrooms and distributors. The close proximity allows companies to meet "just-in-time" delivery requirements of clothing that is largely made to order. Retailers can quickly restock popular items, have a steady stream of fresh, new styles, and avoid costly warehousing. Clothing produced outside the United States can take much longer to deliver, and have other problems resulting from the distance between manufacturers and retailers.

The average annual wage for apparel manufacture is \$19,800. However, the manufacture of more complex, structured garments pays more. The construction of men's and boys' trousers and slacks, for example, pays \$60,600 annually.

Garment sewing is just one aspect of the total apparel industry. Many apparel jobs pay above-average wages. Textile chemists and designers earn an average annual wage of \$50,000 to \$60,000. Textile and fashion merchandisers earn over \$50,000 annually, as do employees in corporate sales. Jobs involving computer technology, such as computer-aided design and computerized cutters also make an annual wage that is higher than the state's 1998 all-industry average of \$35,350.

Infrastructure

Southern California has a strong educational component of the industry that keeps a steady flow of designers introducing their creations into the fertile California

marketplace. The California State Polytechnic University, Pomona and the University of California at Riverside both have programs to assist manufacturers and contractors in increasing their productivity through the application of technology. Institutions such as the Fashion Institute of Design and Merchandising, and the Los Angeles Trade-Technical College train skilled artisans in each step of the apparel trade. Courses include techniques in fashion sketching and pattern making, and production management and merchandise display.

The Los Angeles Trade-Technical College offers the only public apparel production courses in any community college in the Western United States. State-of-the-art computer laboratories, funded by grants and donations from IBM, Gerber Garment Technology and many other industry participants, allow students to master traditional skills as well as the technology of the future.

The apparel industry in Southern California has several other advantages. The region's incorporation of all major design components keeps other firms nearby. The close interaction between firms lets manufacturers meet tight delivery schedules, especially in the discount retailing environment of stores like WalMart. The region's strong base of immigrant entrepreneurs has resulted in hard working, family-owned small businesses. In California, 45 percent of apparel manufacturing firms have fewer than 5 employees.

California Products

California's famous apparel brands are supported by hundreds of contracted firms that provide the designs, textiles and labor to create the finished products. A few of the better-known California labels are listed below.

<i>Company</i>	<i>City</i>
Bugle Boy	Simi Valley
Byer of California	San Francisco
Guess Inc.	Los Angeles
Koret of California	Oakland
Quiksilver Inc.	Costa Mesa

The diversity of California creates the huge, ready-made market that makes up the state. The California consumer is a major reason for the successful apparel industry. Californians have a higher per capital income than most of the nation. Spending some of this wealth are over three million teenagers, a group that strongly influences, and is strongly influenced by, trendy clothing.

The California lifestyle is perceived as trend-setting and casual. A varied climate and geographic diversity allow

for more active, year-round outdoor living, inspiring a diversity of clothes. Manufacturers such as Marmot Mountain Works in Berkeley make garments for boating, skiing and the extreme conditions of mountain climbing. On the other end of the spectrum are bathing suit makers Catalina/Cole in Los Angeles and Koala Swimwear in Sherman Oaks.

International Trade and Investment

California apparel products are in demand throughout the world, and are an important component of total state exports. From 1993 to 1999, exports of apparel and other textile products increased 21 percent. However, in 1999, California apparel exports declined 4 percent from the prior year, to \$1.3 billion. The total value of all exported goods rose 2.4 percent from 1998, in part due to the recovery of, and increased demand from Asian markets.

Trends and Challenges

California apparel manufacturing finds its strength in fashions that require proximity to the design and production firms that cluster together in apparel districts. Commodity clothes such as socks, underwear and T-shirts are more cheaply manufactured in the maquiladoras along the Mexican border, or off-shore.

Many times the industry is a starting point for new immigrants with limited English language skills. Though the wages may be minimum, the apparel industry can nevertheless provide a step toward the American Dream of owning one's own business. New immigrants can use the cultural links to their homeland to create export opportunities for their products.

There is a move toward more technology in apparel manufacturing, although many small firms in this highly competitive industry have not made the capital investment in computerized cutters or sewing machines. Some larger firms, on the other hand, are connected to their retail distributors through computer networks. The retail stores track inventories by bar code at the point of sale and the manufacturer can supply the inventory as needed. As more of the apparel entities - the suppliers, vendors, contractors and retailers - become connected technologically, the industry will see even greater productivity and efficiency.